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FULBRIGHT SCORES AGENCY OF ISRAEL

Its Use of U.S. Zionist Body
Is Said to Skirt Statute

By CABELL PHILLIPS

Special to The New York Times

WASHINGTON, Aug. 1—The American Zionist Council has been used as a "conduit" to carry on many political and cultural activities in this country for the Government of Israel, testimony taken by the Senate Foreign Relations Committee indicated today.

In some instances, Senator J. W. Fulbright brought out in questioning, these activities were not fully disclosed in statements filed with the Department of Justice. These statements are required under the Foreign Agents Registration Act.

The information was developed in an open hearing today at which Isadore Hamlin, executive director of the Jewish Agency-American Section, Inc., was the sole witness.

At the same time, the committee released testimony taken in executive session on May 23 from Mr. Hamlin and from Gottlieb Hamner, executive vice president of the Jewish Agency for Israel, Inc. Both organizations have headquarters in New York.

The testimony was taken in connection with the committee's continuing study of the lobbying activities of foreign governments in this country. Mr. Fulbright is chairman of the committee.

Complex Relationships

The story of the complex financial and administrative interrelationships between the American Zionist Council and the Jewish Agency and its numerous affiliates left the committee "bewildered," according to Mr. Fulbright.

He was at pains, however, to impute no wrongdoing to any of those involved. But he made it clear he felt that the effect of some of the transactions was to obscure the influence of Israeli principals, and even of the Israeli Government, in shaping American public opinion.

In exploring these transactions, he said the Senate committee's interest was not in the case and the nation but in the Jewish Agency's operations, "but

rather the methods and techniques it has employed in the United States and their relationship to the workings of the Foreign Agents Registration Act."

He declared that because of failure to make full disclosure of these activities, "the public was unaware of the public relations activities in the interests of Israel carried on within the United States by the agency." He went on:

"And the Jewish Agency supported organizations and individuals without itemization of such financial support in its Justice Department reports."

The principal target of the committee's interest was the organization represented by Mr. Hamlin, the Jewish Agency-American Section, Inc. It is the only organization involved that is registered under the Foreign Agents Registration Act.

The Agency not only operates certain public relations and cultural programs on its own account, but also has provided in the past the principal financial support for the American Zionist Council.

As a registered agent, the Agency is required to make a detailed report of its expenditures and activities to the Department of Justice. In addition, any publicity or similar matter that it issues is required to be labeled to indicate the foreign principal for whom it is issued.

What the committee found fault with, in essence, was the frequency with which the Jewish Agency American Section put up the money to have the American Zionist Council take over some of these operations in its own name.

Mr. Fulbright contended that in several such instances the purpose appeared to be to avoid having the activity fall within the purview of the registration law.

"It seems to me," Mr. Fulbright told Mr. Hamlin at one point today, "that you are just using the American Zionist Council as a conduit so you can avoid registration. This is one of the basic questions we are looking into, how intermediaries are used in order to defeat the real purpose of the act."

Mr. Hamlin denied that his organization was doing this. He said the Agency's expenditures for the operations in question had been reported to the Department of Justice.

He conceded, however, that in almost every instance they had not been so carefully itemized as the law required, but said that the Agency's operations, "but

tion such as "allocations and grants to affiliated organizations."

Mr. Hamlin testified earlier that the Agency withdrew financial support from the American Zionist Council at the council's request at the end of last year. He said this was done because of the question of "registrability under the Foreign Agents Registration Act."

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